

Patricia M. French
Senior Attorney



300 Friberg Parkway
Westborough, Massachusetts 01581
(508) 836-7394
(508) 836-7039 (facsimile)
pfrench@nisource.com

July 11, 2006

BY OVERNIGHT DELIVERY AND E-FILE

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: Bay State Gas Company, D.T.E. 06-31

Dear Ms. Cottrell:

Enclosed for filing, on behalf of Bay State Gas Company ("Bay State"), please find Bay State's responses to the following Information Requests:

From the AG:

AG-1-1	AG-1-2	AG-1-3	AG-1-4
AG-1-5	AG-1-6	AG-1-7	AG-1-8

Please do not hesitate to telephone me with any questions whatsoever.

Very truly yours,

Patricia M. French

cc: Paul Osborne (DTE)
A. John Sullivan (DTE)
Alexander Cochis, Assistant Attorney General (4 copies)
Charles Harak, Esq. (UWUA)
Nicole Horberg Decter, Esq. (USW)
Service List

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
FIRST SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-31

Date: July 11, 2006

Responsible: Stephen H. Bryant, President

AG 1-1: Please provide copies of all discovery responses issued in response to requests from other participants in this proceeding.

RESPONSE: The Company has included and will include the Attorney General on the distribution of all responses to discovery provided by Bay State in this proceeding.

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
FIRST SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-31

Date: July 11, 2006

Responsible: Stephen H. Bryant, President
As to Objection: Legal Counsel

AG 1-2: For each of the years 1998 to 2005, please identify and produce a copy of the business plan for recovery of the Bay State acquisition premium. If no business plan was created to recover the acquisition premium, identify and produce all reports, memos or other documents that show the progress towards recovery of the acquisition premium.

RESPONSE: Objection. The question is irrelevant to this proceeding where Bay State's service quality on behalf of its customers and where the relationship between the jurisdictional company, Bay State, and its Parent, NiSource, is in issue.

Notwithstanding this objection, but rather specifically maintaining it, Bay State will state that to the best of Mr. Bryant's knowledge, no business plan ever included recovery of a "Bay State" acquisition premium for the years 1998 to 2005.

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
FIRST SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-31

Date: July 11, 2006

Responsible: Stephen H. Bryant, President
As to Objection: Legal Counsel

AG 1-3: For each of the years 1999 to 2005, please identify and produce a copy of the business plan for recovery of the Columbia Gas Company acquisition premium. If no business plan was created to recover the acquisition premium, identify and produce all reports, memos or other documents that show the progress towards recovery of the acquisition premium.

RESPONSE: Objection. This question relating to other non-jurisdictional companies is irrelevant to this proceeding where Bay State's service quality on behalf of its customers and where the relationship between the jurisdictional company, Bay State, and its Parent, NiSource, is in issue. Moreover, the question is a fishing expedition into the affairs of non-jurisdictional companies since it requests information belonging to entities that have no demonstrated effect on Bay State service to its customers.

Notwithstanding this objection, but rather specifically maintaining it, Bay State will state that no such documents exist during this period, because no business plan has included recovery of a "Columbia Gas Company" acquisition premium for the years 1998 to 2005.

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
FIRST SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-31

Date: July 11, 2006

Responsible: Stephen H. Bryant, President
As to Objection: Legal Counsel

AG 1-4: For each of the years 1998 to 2005, please identify and produce a copy of the monthly, quarterly and yearly budget targets for each department and cost category for Bay State.

RESPONSE: Objection. The question is irrelevant to this proceeding where Bay State's service quality on behalf of its customers and where the relationship between the jurisdictional company, Bay State, and its Parent, NiSource, is in issue. Materials dating to 1998 are completely irrelevant to this inquiry that takes place in 2006, when Bay State has met its service quality metrics for over three years. The request is not calculated to lead to evidence that will be admissible as to any material issue in this proceeding.

Notwithstanding this objection, but rather specifically maintaining it, please see Bay State's response to UWUA 1-7.

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
FIRST SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-31

Date: July 11, 2006

Responsible: Stephen H. Bryant, President
As to Objection: Legal Counsel

AG 1-5: From 1998 to 2005, produce all e-mails between Bay State, its holding company, parent company or service company regarding the budget documents produced in response to AG-1-4.

RESPONSE: Objection. The question is irrelevant to this proceeding where Bay State's service quality on behalf of its customers and where the relationship between the jurisdictional company, Bay State, and its Parent, NiSource, is in issue. Materials dating to 1998 are completely irrelevant to this inquiry that takes place in 2006, when Bay State has met its service quality metrics for over three years. The request is not calculated to lead to evidence that will be admissible as to any material issue in this proceeding.

Notwithstanding this objection, but rather specifically maintaining it, please see Bay State's response to AG-1-4.

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
FIRST SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-31

Date: July 11, 2006

Responsible: Stephen H. Bryant, President
As to Objection: Legal Counsel

AG 1-6: From 1998 to 2005, identify and produce all documents related to any type of management bonus or management incentive compensation plans, including in this response those bonus and incentive plans related to the documents produced in response to AG-1-2, AG-1-3 and AG-1-4.

RESPONSE: Objection. The question is irrelevant to this proceeding where Bay State's service quality and where the relationship between the jurisdictional company, Bay State, and its Parent, NiSource, is in issue. Moreover, the portion of this question relating to other non-jurisdictional companies is irrelevant to this proceeding where Bay State's service quality on behalf of its customers and where the relationship between the jurisdictional company, Bay State, and its Parent, NiSource, is in issue. The question is a fishing expedition into the affairs of non-jurisdictional companies since it requests information belonging to entities that have no demonstrated effect on Bay State service to its customers.

Notwithstanding this objection but rather specifically maintaining it, employees and managers of Bay State are entitled to incentive compensation and spot awards related to performance under metrics described in that proceeding and subsequently approved by the Department as reasonable. To the extent that performance during any of those periods met the defined metrics associated with that year, incentive compensation and/or spot performance awards would have been awarded. Further, the Company has provided certain documents related to Bay State's employee performance management in its response to UWUA 2-4.

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
FIRST SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-31

Date: July 11, 2006

Responsible: Stephen H. Bryant, President

AG 1-7: List the management individuals from Bay State, its holding company, parent company and service company (by title and employer) who were involved in establishing the budget targets related to the documents produced in response to AG-1-4.

RESPONSE: Please see the Company's responses to UWUA 2-6, UWUA 1-7, and USW 1-13 for information related to the Company's budgeting process, relevant personnel involved in this process, and Mr. Bryant and Mr. Cote's reporting chain of command and responsibilities.

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
FIRST SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-31

Date: July 11, 2006

Responsible: Stephen H. Bryant, President
As to Objection: Legal Counsel

AG 1-8: Produce copies of all Sarbanes-Oxley Act sign-offs, approvals and acknowledgments related to the Bay State's filing in DTE 05-27 and the documents produced in response to AG-1-2 and AG-1-4. Identify the Sarbanes- Oxley Act compliance officer at Bay State, its parent company, holding company and service company.

RESPONSE: Objection. The question is irrelevant to this proceeding where Bay State's service quality and where the relationship between the jurisdictional company, Bay State, and its Parent, NiSource, is in issue.

Notwithstanding this objection but rather specifically maintaining it, Bay State will state that it is determining whether it has any other documents that are responsive to this request and will supplement this response as additional materials are located. The Sarbanes-Oxley Act compliance officer for Bay State, NCSC and NiSource Inc., is Roger Mahoney.